

ONE HUNDRED NINETEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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WASHINGTON, DC 20515-6115

Majority (202) 225-3641
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August 11, 2025

The Honorable Lee Zeldin
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Zeldin:

We write to yet again correct the Administration's understanding of statutory requirements and Congressional intent regarding two key Inflation Reduction Act programs, the Greenhouse Gas Reduction Fund and Environmental and Climate Justice Block Grants, and express our deep frustration with your latest attempt to rescind obligated funds.

The Greenhouse Gas Reduction Fund consists of three award competitions with \$20 billion of funding allocated to two programs, the National Clean Investment Fund and the Clean Communities Investment Accelerator, and the remaining \$7 billion to Solar for All.¹ Collectively, the Greenhouse Gas Reduction Fund was created to expand economic opportunity across the country, leveraging public and private capital to drive investment that will help everyday Americans lower their energy bills and access new, good-paying jobs. Unfortunately, you continue to wage an unprecedented and defamatory assault on this fund without any credible evidence, weaponizing the Environmental Protection Agency (EPA) to steal lawfully awarded taxpayer funds. We have made multiple requests directing you to share any credible evidence that supports your accusations of waste, fraud, and abuse.² However, as your own lawyers have

¹ United States Environmental Protection Agency, *About the Greenhouse Gas Reduction Fund* (Feb. 13, 2025) (<https://www.epa.gov/greenhouse-gas-reduction-fund/about-greenhouse-gas-reduction-fund>).

² Letter from Rep. Frank Pallone, Jr., Ranking Member, House Committee on Energy and Commerce, Rep. Paul D. Tonko, Ranking Member, Subcommittee on Environment, House Committee on Energy and Commerce, and Rep. Yvette D. Clarke, Ranking Member, Subcommittee on Oversight and Investigations, House Committee on Energy and Commerce, to Lee Zeldin, Administrator, Environmental Protection Agency (Mar. 11, 2025); Letter from Sen. Sheldon Whitehouse et al., Ranking Member, Senate Committee on Environment and Public Works, to Lee Zeldin, Administrator, Environmental Protection Agency (Mar. 13, 2025); Letter from Rep. Frank Pallone, Jr., Ranking Member, House Committee on Energy and Commerce, and Sen. Sheldon Whitehouse, Ranking Member, Senate Committee on Environment and Public Works, to Lee Zeldin, Administrator, Environmental Protection Agency (Apr. 21, 2025).

confirmed, EPA has been unable to substantiate any of these claims.³ Your illegal attacks began on the National Clean Investment Fund and Clean Communities Investment Accelerator programs, and just recently spread to illegal efforts to dismantle the Solar for All program.

In your latest attempt to dismantle the program, you have falsely claimed that passage and enactment of H.R. 1, Trump's Big Ugly Bill, gives you the authority to take back obligated funds. An EPA spokesperson claimed that "Congress made their intent crystal clear in repealing the program entirely and returning those billions in unobligated funds to the U.S. Treasury."⁴ Department of Justice (DOJ) attorneys representing EPA echoed this claim in a court filing in *Climate United Fund v. Citibank, N.A.*, and, more recently, EPA has used these arguments to justify terminating obligated Solar for All grants to states and nonprofit recipients.⁵ Specifically, you stated, "With clear language and intent from Congress in the OBBB, EPA's taking action to end this program for good."⁶ These claims about H.R. 1 are all false and just the latest in your baseless efforts to terminate these critical programs.

While Section 60002 of H.R. 1 repeals authorization for the program and rescinds unobligated funds from the Greenhouse Gas Reduction Fund the language is clearly not retroactive. Section 60002 specifically states that, "the unobligated balances of amounts made available to carry out that section (as in effect on the day before the date of enactment of this Act) are rescinded."⁷ This is affirmed by the Congressional Budget Office (CBO), who estimated that repealing and rescinding unobligated funds from the Greenhouse Gas Reduction Fund would only yield \$19 million in savings.⁸ These unobligated funds, allocated for administration and oversight of the Greenhouse Gas Reduction Fund programs, are the only funds available for such rescission. Grant funding awarded before this legislation was enacted—including those that currently reside at Citibank—does not constitute unobligated funds subject to H.R. 1. Indeed, because those funds remained obligated at the time of enactment of H.R. 1, they will never be subject to rescission under law.

The same holds true for the Environmental and Climate Justice Block Grants, which invested \$3 billion in community-led projects that address environmental and public health harms related to pollution and the worsening climate crisis. Section 60016 of H.R. 1 rescinds unobligated funds for this program and CBO's cost estimate confirms roughly \$500 million of

³ Judge Grills Trump Admin Lawyer on Canceled Climate Grants, Politico (Apr. 3, 2025); Trump's EPA Wages War over \$20B in 'Gold Bars', Politico (Apr. 15, 2025).

⁴ EPA says Trump's Big Bill Should Help in its Fight to Take Back Billions in Green Bank Funds, Associated Press (July 4, 2025).

⁵ Letter pursuant to FRAP 29j 28j advising of additional authorities filed by Lee M. Zeldin, (July 3, 2025), *Climate United Fund v. Citibank, N.A.*, D.DC.Cir. (No. 25-5122)1208754472).

⁶ Lee Zeldin (@epaleezeldin), X (Aug. 7, 2025, 2:09 PM) (<https://x.com/epaleezeldin/status/1953518426602803684>).

⁷ Pub. L. No. 119-21 § 60002 (2025).

⁸ Congressional Budget Office, *Estimated Budgetary Effects of Public Law 119-21, to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14, Relative to CBO's January 2025 Baseline*, (July 21, 2025).

the grants are available for rescission.⁹ These facts directly disprove claims made by DOJ attorneys representing EPA in *Appalachian Voices v. United States Environmental Protection Agency* who, in an effort to dismiss the case, erroneously stated the previously awarded grants have “effectively been abolished by Congress through the rescission of unobligated funds.”¹⁰ This is patently false. The truth is the vast majority of Environmental and Climate Justice Block Grants were obligated to projects across the country prior to enactment of H.R. 1, yet you continue to try to steal these promised funds.¹¹

Even if you were not inclined to follow the letter of the law or the interpretation of CBO, you could instead simply listen to what Congressional Republicans themselves said during debate on H.R. 1. Congressional Republicans made clear that the provisions in H.R. 1 do not affect obligated funds.¹² During the Committee markup of H.R. 1, Congressman Griffith, then Chairman of Energy and Commerce’s Subcommittee on Environment, stated:

“[t]hese provisions that we are talking about only apply as far as this bill is concerned, to the unobligated balances. So, if a grant was already given, as far as this bill is concerned, then that would still be going forward... If the grant has already been granted and the money is obligated, then this—then our language does not affect that.”¹³

He went on to emphasize, “[w]e can’t rescind expenditures that have already been obligated.”¹⁴

You claim EPA is working to implement H.R. 1 “in accordance with Congressional intent.”¹⁵ Yet, the intent and understanding of Congress in passing H.R. 1 could not be more clear: H.R. 1 does not touch obligated funds for the Greenhouse Gas Reduction Fund, the Environmental and Climate Justice Block Grants, or any other Inflation Reduction Act program.

⁹ Pub. L. No. 119-21 § 60016 (2025); *Id.*

¹⁰ Defendants’ Motion to Dismiss and Memorandum in Opposition to Plaintiffs’ Motion for a Preliminary Injunction (July 14, 2025), *Appalachian Voices v. U.S. Environmental Protection Agency*, D.D.C. (No. 1:25 CV 01982-RJL).

¹¹ *Rural Communities, Tribes Sue EPA Over \$2.8 Billion in Canceled Funding for Flood Mitigation and Resilience Projects*, the Daily Yonder (July 31, 2025); *EPA Seeks Dismissal of EJ grant suit*, Greenwire (July 15, 2025).

¹² Pub. L. No. 119-21 (2025).

¹³ Full Committee, *Markup of 4 Committee Prints*, 119th Cong. (May 13, 2025).

¹⁴ *Id.*

¹⁵ Lee Zeldin (@epaleezeldin), X (Aug. 7, 2025, 2:09 PM) (<https://x.com/epaleezeldin/status/1953518426602803684>); *Why the Megalaw Didn’t Kill Biden’s Biggest Climate Program*, Climatewire (July 17, 2025).

The Honorable Lee Zeldin

August 11, 2025

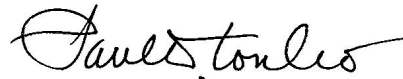
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Time and again, you have boasted about the unlawful activities EPA is conducting under your leadership without any credible evidence to justify your actions. Repeatedly, Congress has demanded you turn over the alleged evidence and answer basic questions about the implementation – or lack thereof – of these programs. Each time, you have come up woefully short. Once and for all, stop lying about these programs and grantees. It is long past time for you to release these duly obligated funds promised to communities across the nation.

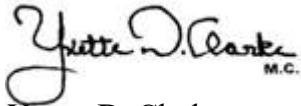
Sincerely,



Frank Pallone, Jr.
Ranking Member



Paul D. Tonko
Ranking Member
Subcommittee on Environment



Yvette D. Clarke
Ranking Member
Subcommittee on Oversight
and Investigations

cc: The Honorable Brett Guthrie
Chairman

The Honorable Gary Palmer
Chairman
Subcommittee on Environment

The Honorable John Joyce
Chairman
Subcommittee on Oversight and Investigations